

Annex A
U.S. Textile and Apparel Category System
under the Harmonized System

Categories numbered in the:

200 series are of cotton and/or man-made fiber

300 series are of cotton

400 series are of wool

600 series are of man-made fiber

800 series are of silk blends or non-cotton vegetable fibers

<u>YARN:</u>	<u>UNIT</u>	<u>CONVERSION FACTOR TO SQUARE METER</u>
200 Yarns put up for retail sale, and sewing thread	kg.	6.60
201 Specialty yarns	kg.	6.50
300 Carded cotton yarn	kg.	8.50
301 Combed cotton yarn	kg.	8.50
400 Wool yarn	kg.	3.70
600 Textured filament yarn	kg.	6.50
603 Yarn containing 85% or more by weight artificial staple fiber	kg.	6.30
604 Yarn containing 85% or more by weight synthetic staple fiber	kg.	7.60
606 Non-textured filament yarn	kg.	20.10
607 Other staple fiber yarn	kg.	6.50
800 Silk blends or non-cotton vegetable fiber yarn	kg.	8.50

FABRIC:

218	Of yarns of different color	m2	1.00
219	Duck	m2	1.00
220	Fabric of special weave	m2	1.00
222	Knit fabric	kg.	12.30
223	Non-woven fabric	kg.	14.00
224	Pile & tufted fabric	m2	1.00
225	Blue denim	m2	1.00
226	Cheesecloth, batiste, lawn, voile	m2	1.00
227	Oxford cloth	m2	1.00
229	Special purpose fabric	kg.	13.60
313	Sheeting	m2	1.00
314	Poplin & broadcloth	m2	1.00
315	Printcloth	m2	1.00
317	Twills	m2	1.00
326	Sateens	m2	1.00
410	Woven fabric	m2	1.00
414	Other wool fabric	kg.	2.80
611	Woven fabric containing 85% or more by weight artificial staple	m2	1.00
613	Sheeting	m2	1.00
614	Poplin & broadcloth	m2	1.00
615	Printcloth	m2	1.00
617	Twills & sateens	m2	1.00
618	Woven artificial filament fabric	m2	1.00
619	Polyester filament fabric	m2	1.00
620	Other synthetic filament fabric	m2	1.00
621	Impression fabric	kg.	14.40
622	Glass fiber fabric	m2	1.00
624	MMF-fabric, woven, containing more than 15% but less than 36% wool	m2	1.00
625	Poplin & broadcloth of staple/filament fiber combinations	m2	1.00
626	Printcloth of staple/filament fiber combination	m2	1.00
627	Sheeting of staple/filament fiber combinations	m2	1.00
628	Twills & sateens of staple/filament fiber combinations	m2	1.00
629	Other fabrics of staple/filament fiber combinations	m2	1.00
810	Woven fabric, silk blend & non-cotton vegetable fiber	m2	1.00

APPAREL:

237	Playsuits, sunsuits, etc	doz	19.20
239	Babies' garments and clothing accessories	kg.	6.30
330	Handkerchiefs	doz	1.40
331	Gloves and mittens	dpr	2.90
332	Hosiery	dpr	3.80
333	M&B suit-type coats	doz	30.30
334	Other M&B coats	doz	34.50

335	W&G coats	doz	34.50
336	Dresses	doz	37.90
338	M&B knit shirts	doz	6.00
339	W&G knit shirts & blouses	doz	6.00
340	M&B shirts, not knit	doz	20.10
341	W&G shirts & blouses, not knit	doz	12.10
342	Skirts	doz	14.90
345	Sweaters	doz	30.80
347	M&B trousers, breeches & shorts	doz	14.90
348	W&G trousers, breeches & shorts	doz	14.90
349	Brassieres & other body supporting garments	doz	4.00
350	Robes, dressing gowns, etc.	doz	42.60
351	Nightwear and pajamas	doz	43.50
352	Underwear	doz	9.20
353	M&B down-filled coats	doz	34.50
354	W&G down-filled coats	doz	34.50
359	Other cotton apparel	kg.	8.50
431	Gloves and mittens	dpr	1.80
432	Hosiery	dpr	2.30
433	M&B suit-type coats	doz	30.10
434	Other M&B coats	doz	45.10
435	W&G coats	doz	45.10
436	Dresses	doz	41.10
438	Knit shirts & blouses	doz	12.50
439	Babies' garments and clothing accessories	kg.	6.30
440	Shirts & blouses, not knit	doz	20.10
442	Skirts	doz	15.00
443	M&B suits	no.	3.76
444	W&G suits	no.	3.76
445	M&B sweaters	doz	12.40
446	W&G sweaters	doz	12.40
447	M&B trousers, breeches & shorts	doz	15.00
448	W&G trousers, breeches & shorts	doz	15.00
459	Other wool apparel	kg.	3.70
630	Handkerchiefs	doz	1.40
631	Gloves and mittens	dpr	2.90
632	Hosiery	doz	3.80
633	M&B suit-type coats	doz	30.30
634	Other M&B coats	doz	34.50
635	W&G coats	doz	34.50
636	Dresses	doz	37.90
638	M&B knit shirts	doz	15.00
639	W&G knit shirts & blouses	doz	12.50
640	M&B shirts, non knit	doz	20.10
641	W&G shirts & blouses, not knit	doz	12.10
642	Skirts	doz	14.90
643	M&B suits	no.	3.76
644	W&G suits	no.	3.76
645	M&B sweaters	doz	30.80
646	W&G sweaters	doz	30.80
647	M&B trousers, breeches & shorts	doz	14.90
648	W&G trousers, breeches & shorts	doz	14.90

649	Brassieres & other body supporting garments	doz	4.00
650	Robes, dressing gowns, etc.	doz	42.60
651	Nightwear and pajamas	doz	43.50
652	Underwear	doz	13.40
653	M&B down-filled coats	doz	34.50
654	W&G down-filled coats	doz	34.50
659	Other man-made fiber apparel	kg.	14.40
831	Gloves and mittens	dpr	2.90
832	Hosiery	dpr	3.80
833	M&B suit-type coats	doz	30.30
834	Other M&B coats	doz	34.50
835	W&G coats	doz	34.50
836	Dresses	doz	37.90
838	Knit shirts & blouses	doz	11.70
839	Babies' garments and clothing accessories	kg.	6.30
840	Shirts & blouses, not knit	doz	16.70
842	Skirts	doz	14.90
843	M&B suits	no.	3.76
844	W&G suits	no.	3.76
845	Sweaters of non-cotton vegetable fibers	doz	30.80
846	Sweaters, of silk blends	doz	30.80
847	Trousers, breeches & shorts	doz	14.90
850	Robes, dressing gowns, etc.	doz	42.60
851	Nightwear and pajamas	doz	43.50
852	Underwear	doz	11.30
858	Neckwear	kg.	6.60
859	Other apparel	kg.	12.50

MADE-UP AND MISCELLANEOUS TEXTILES:

360	Pillowcases	no.	0.90
361	Sheets	no.	5.20
362	Bedspreads and quilts	no.	5.80
363	Terry and other pile towels	no.	0.40
369	Other cotton manufactures	kg.	8.50
464	Blankets	kg.	2.40
465	Floor coverings	m2	1.00
469	Other wool manufactures	kg.	3.70
665	Floor coverings	m2	1.00
666	Other man-made fiber furnishings	kg.	14.40
669	Other man-made fiber manufactures	kg.	14.40
670	Flat goods, handbags, and luggage	kg.	3.70
863	Towels	no.	0.40
870	Luggage	kg.	3.70
871	Flatgoods and handbags	kg.	3.70
899	Other silk & vegetable fiber manufactures	kg.	3.70

ANNEX B

January 1, 1998 - December 31, 1998

340/640 159,536 dozen

January 1, 1999 - December 31, 1999

340/640 167,513 dozen

January 1, 2000 - December 31, 2000

340/640 175,889 dozen

Confirming that this Agreement, including Annexes A and B, is acceptable to the Government of the Lao People's Democratic Republic, this note and the note of the United States' Department of State and that of the Embassy shall constitute an Agreement between the two Governments, which shall enter into force on January 1, 1998.

The Ministry of Foreign Affairs of the Lao People's Democratic Republic takes this opportunity to renew to the Embassy of the United States of America the assurances of its highest consideration. *(Signature)*

Vientiane, December 30, 1997



9175 23/12/97
No. 940

EMBASSY OF THE
UNITED STATES OF AMERICA

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the Lao People's Democratic Republic and has the honor to refer to the agreement between the Lao People's Democratic Republic and the United States of America relating to trade in textile products signed in Washington, D.C. on September 15, 1994, as well as the Lao Government's counterproposal to this agreement submitted through Diplomatic Note 328/AE-TD to the Embassy on December 4, 1997. The Embassy has the honor to advise the Ministry of the United States' response to the Lao Government's counterproposal and suggested changes to the bilateral textile agreement, as follows: (begin text)

1. THE REFERENCES TO CHANGES IN THE DRAFT AGREEMENT IN THIS PARAGRAPH REFER TO THE DRAFT AS SUBMITTED BY THE GOVERNMENT OF LAOS (GOL) TO THE UNITED STATES GOVERNMENT (USG) AS THE GOL RESPONSE TO THE USG'S ORIGINAL PROPOSAL. THE LAO DRAFT WAS SUBMITTED THROUGH DIPLOMATIC NOTE 328/AE-TD, ADDRESSED TO THE US EMBASSY, AND DATED DECEMBER 4, 1997.

-- PARA 13 (B) (11): IN THE FIRST SENTENCE OF THIS SUBPARAGRAPH, WE ACCEPT THE LAO REQUEST TO CHANGE THE NUMBER OF DAYS ADVANCE NOTICE FOR VISITS TO TEXTILE PLANTS FROM 10 DAYS TO 14 DAYS.

-- PARA 13 (D) (1) (B): WE ACCEPT THE ADDITION OF A NEW FINAL SENTENCE: "WHEN LAOS BECOMES A MEMBER OF THE WTO, TO WHOM THE US APPLIES THE AGREEMENT, ANY ACTIONS TAKEN UNDER THIS PARAGRAPH SHALL BE NOTIFIED TO THE TMB."

-- PARA 13 (E): WE ACCEPT THE FIRST OF TWO NEW SENTENCES PROPOSED BY THE GOL AT THE END OF THIS PARA. THE ACCEPTED SENTENCE READS: "WHEN LAOS BECOMES A MEMBER OF THE WTO, TO WHOM THE US APPLIES THE AGREEMENT, ANY ACTIONS TAKEN UNDER THIS PARAGRAPH SHALL BE NOTIFIED TO THE TMB." WE DO NOT/NOT ACCEPT THE OTHER SENTENCE WHICH READS, "IF THE TMB AFFIRMATIVELY RECOMMENDS THAT THE UNITED STATES RESCIND ANY CHARGES THEN THE TRIPLE CHARGE PROVISIONS OF THIS PARAGRAPH WILL NOT BE INVOKED."

(H) PARTIES NOTE THAT SOME CASES OF CIRCUMVENTION MAY INVOLVE SHIPMENTS TRANSITING LAOS WITH NO CHANGES OR ALTERATIONS MADE TO THE GOODS CONTAINED IN SUCH SHIPMENTS IN LAOS. THEY NOTE THAT IT MAY NOT BE GENERALLY PRACTICABLE FOR THE LAO PEOPLE'S DEMOCRATIC REPUBLIC TO EXERCISE CONTROL OVER SUCH SHIPMENTS.

(I) NO DEDUCTIONS TO LAOS' QUANTITATIVE LIMITS WILL APPLY TO EACH PARTICULAR INSTANCE OF CIRCUMVENTION IF THE LAO PEOPLE'S DEMOCRATIC REPUBLIC HAS PROVIDED THE GOVERNMENT OF THE UNITED STATES WITH CLEAR EVIDENCE OR INTELLIGENCE OF CIRCUMVENTION SUFFICIENT TO ALLOW THE UNITED STATES TO DENY ENTRY TO THE PARTICULAR CIRCUMVENTING GOODS PRIOR TO THEIR ENTRY INTO THE CUSTOMS TERRITORY OF THE UNITED STATES. IN SUCH INSTANCES, THE PARTIES AGREE THAT THE PREFERRED COURSE WOULD BE FOR THE LAO PEOPLE'S DEMOCRATIC REPUBLIC TO INFORM THE GOVERNMENT OF THE UNITED STATES THAT ANY VISA ISSUED ON SUCH SHIPMENT IS INVALID.

18. IN THE EVENT THAT LAOS BECOMES A MEMBER OF THE WORLD TRADE ORGANIZATION (WTO), AND THE UNITED STATES APPLIES THE AGREEMENT ESTABLISHING THE WTO (WTO AGREEMENT) TO LAOS, THE PROVISIONS SET OUT IN PARAGRAPHS 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, AND 15 WILL BE DIRECTLY RELEVANT TO THE ABILITY OF THE UNITED STATES AND LAOS TO IMPLEMENT THE WTO AGREEMENT AND THE URUGUAY ROUND AGREEMENT ON TEXTILES AND CLOTHING (ATC). THEREFORE, UPON MEMBERSHIP OF LAOS IN THE WTO AND APPLICATION OF THE WTO AGREEMENT BY THE UNITED STATES TO LAOS, THOSE PROVISIONS WILL REMAIN IN FORCE AND WILL BE NOTIFIED TO THE TEXTILE MONITORING BODY. (end text)

The Embassy of the United States of America takes this opportunity to renew to the Ministry of Foreign Affairs of the Lao People's Democratic Republic the assurances of its highest consideration.

Embassy of the United States of America,

Vientiane, December 23, 1997.





REPUBLIQUE DEMOCRATIQUE POPULAIRE LAO

Paix, Indépendance, Démocratie, Unité Prospérité

MINISTERE
DES
AFFAIRES ETRANGERES

No. 328/AE-TD.

The Ministry of Foreign Affairs of the Lao People's Democratic Republic presents its compliments to the Embassy of the United States of America and, with reference to the note dated August 7, 1997, of the US Department of State, concerning the agreement between the Government of the Lao PDR and the Government of the United States of America relating to trade in cotton, wool, man-made fiber, non-cotton vegetable fiber and silk blend textiles and textile products, has the honour to enclose herewith the Lao counter-draft of the agreement with proposed amendments at the following points: 13 (B) (ii); 13 (D) (i) (b); 13 (E); 13 (F); 13 (G); 13 (I); 18; and Annex B.

It would be very much appreciated if this counter-draft with such proposed amendments could be forwarded to the Government of the United States of America for consideration.

The Ministry of Foreign Affairs of the Lao People's Democratic Republic avails itself of this opportunity to renew to the Embassy of the United States of America the assurances of its highest consideration. *dl*

Vientiane, 4th December 1997

Embassy of United States
of America

Vientiane.



Attachment not included.

DEPARTMENT OF STATE
WASHINGTON

The Department of State refers the Embassy of the Lao People's Democratic Republic to the agreement between the Government of the United States of America and the Government of the Lao People's Democratic Republic relating to trade in cotton, wool, man-made fiber, non-cotton vegetable fiber and silk blend textiles and textile products signed at Washington on September 15, 1994, as amended and extended by exchange of notes in Vientiane on November 9 and December 26, 1995 ("The Agreement").

The Department proposes that the Agreement be amended and extended for three years as follows:

Agreement Relating to Trade in Cotton, Wool, Man-made Fiber, Non-Cotton Vegetable Fiber and Silk Blend Textiles and Textile Products Between the Government of the Lao People's Democratic Republic and the Government of the United States of America

Agreement Term

1. This Agreement is an extension of the Agreement ending December 31, 1997. The term of this Agreement will be the period from January 1, 1998, through December 31, 2000. Each "Agreement Period" or "Agreement Year" shall be a twelve-month period from January 1 of a given year to December 31 of the same year.

Coverage of Agreement and Classification by Fiber

2. The textiles and textile products covered by this Agreement are those summarized in Annex A. The system of categories and the rates of conversion into square meters equivalent (SME) listed in Annex A shall apply in implementing this Agreement.

3: (A) Tops, yarns, piece goods, made-up articles, garments, and other textile manufactured products (being products which derive their chief characteristics from their textile components) of cotton, wool, man-made fibers, silk blends, non-cotton vegetable fibers, or blends thereof, in which any or all of these fibers in combination represent the chief weight of the product, are subject to this Agreement. Components of an article which are not considered relevant to the classification under the General Rules

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If this proposed Agreement, including Annexes A and B, is acceptable to the Government of the Lao People's Democratic Republic, then this note and a note of acceptance on behalf of the Government of the Lao People's Democratic Republic shall constitute an Agreement between the two Governments, which shall enter into force on January 1, 1998.

Department of State,

Washington, August 7, 1997.

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